

Press Release

October 1, 2012

Sumitomo Metal Mining Co., Ltd.

**SMM Establishes New “Materials Research & Development Center”
-- Move Aimed at Strengthening R&D Structure --**

Effective October 1st Sumitomo Metal Mining Co., Ltd. (SMM) has established a new “Materials Research & Development Center.” Creation of the new facility was undertaken in a quest to strengthen the company’s R&D structure in its Materials segment, a core competence area along with operations in Mineral Resources and Smelting & Refining.

Whereas until now research & development activities in materials were overseen by the company’s Materials Division, the new Materials Research & Development Center is subsumed within the Technology Division. The company’s aim is to strengthen its R&D structure for operations involving materials by bringing together all engineers engaged in materials-related R&D. The new Materials Research & Development Center will primarily handle R&D relating to thick film paste materials, target materials and crystal materials.

SMM has two main goals in concentrating all engineers involved in materials R&D into the new Materials Research & Development Center. First, it seeks to clarify the respective functions of its engineers engaged in materials R&D and those focusing on manufacturing operations. Second, by making active use of all its in-house technologies and its R&D management expertise from a companywide perspective, the company aims to increase the speed of development of new products in its Materials business segment.

Earlier, operations involving materials were reorganized and consolidated into a new “Materials Division.” Establishment of the new Materials Research & Development Center is expected to give added impetus to the company’s growth

strategy for the new division.

In tandem with the creation of the new Materials Research & Development Center, SMM's annual R&D budget will be approximately 15 billion yen (including about 7 billion yen in exploration funds). Going forward, the company will continue to focus on strengthening its R&D structure further.

Reorganization

Technology Division

---- Ichikawa Research Laboratories

---- Niihama Research Laboratories

---- Battery Research Laboratories

---- Materials Research & Development Center

Profile of Materials Research & Development Center

Address: 1-6-1 Suehiro-cho, Ome, Tokyo (within the Ome District Division of the Materials Division's Advanced Materials Business Unit)

Director: Kou Takada

Employees: 30 (approx. as of October 1, 2012; to be increased)

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